

**CITY OF OAKLAND PARK, FLORIDA
CITY COMMISSION AGENDA ITEM REPORT**

AGENDA ITEM NO. 8

MEETING DATE: 2/21/2018

PREPARED BY:	Kathleen S. Margoles Community and Economic Development Director	DEPARTMENT HEAD CITY MANAGER APPROVAL:
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SUBJECT: Award of RFQ #121617 West Dixie Lots Redevelopment Project

1 BACKGROUND/HISTORY

Issue Statement: The City of Oakland Park and the CRA seek to develop the West Dixie Lots with a responsible developer to support and sustain downtown development.

Recommended Action: Approve the award of RFQ #121617 West Dixie Lot Redevelopment Project to the first ranked firm, Integra Investments of Miami, Florida and authorize staff to begin negotiation of a Development Agreement with said firm. In the event that negotiations fail with the first ranked firm, staff further recommends that the City Commission authorizes the City Manager to negotiate with the second ranked firm, New Urban Communities of Delray Beach, Florida.

On October 16, 2017, the City of Oakland Park and the Oakland Park CRA released RFQ# 121617 West Dixie Lot Redevelopment Project Solicitation. On December 15, 2017, the City received two responses to this formal solicitation from The New Urban Communities of Delray Beach, Florida and Integra Investments of Miami, Florida.

On December 18, 2017, R. Miller Consulting Group (RMCG) conducted an initial review of the responses and determined that both firms were responsive to the solicitation and notified the City Procurement Manager of same. On December 19, 2017, the City Manager formally approved the composition of the West Dixie Lot Evaluation Committee. Its members were as follows:

- Ana Alvarez, Assistant City Manager
- Kathleen Margoles, Community and Economic Development Director
- *Jennifer Frastai, Engineering and Community Development Director
- Renee Miller, RMCG
- Daniel Rosemond, RMCG
- Kevin Lawler, Managing Partner, NK Ventures
- Julie Medley, Executive Director, Urban Land Institute Southeast FL/Caribbean

*Due to unforeseen personal circumstances, committee member Jennifer Frastai voluntarily removed herself from the evaluation committee prior to the committee’s meeting to discuss and score the responses.

On January 8, 2018, the Evaluation Committee held its first formal meeting to establish the process by which the proposals would be evaluated. On January 16, 2018, the committee held their second meeting to discuss the proposals and complete their scoring sheets. At the conclusion of the second meeting, the City’s Procurement Division arranged for the committee to tour the developments selected by each proposer.

The third and final meeting of the evaluation committee was held on January 23, 2018, in which both firms made oral presentations to the evaluation committee. At the conclusion of the deliberations, the City’s Procurement Manager provided each committee member with their previous scores for each of the firms. Members were asked to take into consideration any additional information obtained through site visits and the oral presentations to affirm or revise the previous score given during the January 16, 2018, committee meeting.

The scoring criteria of the committee were as follows:

- A. Firm’s Qualifications and Team Experience (15 points available)
- B. Project Design / Development Concept (50 points available)
- C. Financial Capability (25 points available)
- D. Client / Partner References and Past Performance (10 points available)

A total of 100 points were available and the final scores were as follows:

Firm	Expe rience	Desi gn	Financi als	Referen ces	Tot al
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Integra Investments	14	47	23	9	93
New Urban Communities	14	32	23	10	79

**Scoring is the combined average of the Selection Committee Members*

Subsequent to the final meeting of the Evaluation Committee, background investigations were conducted on each of the firms under consideration. The aforementioned background investigations found no items of concern on either of the firms. As such, on February 9, 2018, RMCG transmitted a formal recommendation memo to the City Manager, detailing the activities of the Evaluation Committee and providing the basis for which the committee came to its final recommendation for Integra Investments of Miami, Florida to be awarded as the development firm for the West Dixie Lot Redevelopment Project.

2. CURRENT ACTIVITY

RFQ #121617 specifically did not request proposers to advance deal terms. Thus upon designation of Integra as the preferred developer, Integra will need to present a proposed deal envelope and structure; the City, in turn, will need to establish an array of acceptable deal parameters.

In preparation for these negotiations, the City Manager will establish a negotiating team that will work with Integra Investments to establish deal terms under which this development will be constructed. The following are the some of the major considerations for the City to frame a successful outcome with the negotiations with Integra:

- Overall/max level of investment and source of funds
- Conditions of sale for the land
- Funding for off-site improvements (roadways and utilities)
- Level of additional ground level public space/connectivity to East side of Dixie Hwy
- Investment in structured parking vs. leasing allocable spaces for potential City Hall requirements

- Entitlements
- Brown Fields issues
- Land conveyance
- Building/ potential City Hall space costs
- Parking operating revenue
- Retail space lease-up

It is anticipated that the negotiation of a development agreement will take a few months to ensure that the City's objectives are met, the development firm retains its ability to construct an economically viable project, and all of the legal requirements are appropriately addressed.

As noted in the Staff Recommendation, in the event that negotiations with Integra Investments are not successful, the City Manager is requesting authority to begin negotiations with the second ranked firm, New Urban Communities.

3. FINANCIAL IMPACT

The Design Development Concept submitted by first ranked firm, Integra Investments is five story mixed use development that includes 90 residential rental units, 11 live work units, 39, 537 square feet of commercial office space for the potential City Hall site, 32,537 square feet of retail space, and 343 structured parking spaces. While it is too early to provide exact development cost numbers, it is reasonable to estimate that this project will be a \$45 – 50-million-dollar private investment in the West Dixie Lot site.

4. RECOMMENDATION

Staff recommends that the City Commission approve the award of RFQ #121617 West Dixie Lot Redevelopment Project to the first ranked firm, Integra Investments of Miami, Florida and authorize staff to begin negotiation of a Development Agreement with said firm. In the event that negotiations fail with the first ranked firm, staff further recommends the City Commission authorize the City Manager to negotiate with the second ranked firm, New Urban Communities of Delray Beach, Florida.